

**REMARKS**

Claims 1 and 3-7 were examined in the Office Action mailed January 6, 2009. The following new grounds of rejection were entered:

- Claims 1, 3-4 and 6-7 stand rejected under 35 U.S.C. § 102(e) as anticipated by U.S. Patent No. 6,496,806 to Horwitz, *et al.* ("Horwitz").
- Claim 5 stands rejected under 35 U.S.C. § 103(a) as unpatentable over Horwitz, in view of Examiner's Official Notice.

The Applicants are requesting entry of amendments to independent claims 1 and 7 to recite a feature of the present invention, and submit that the nature of this feature would not require further search and thus the amendments could be entered to place the claims into condition for allowance.

The Present Invention: In the present invention, a tag grouping system and tag grouping method are provided which can group ID tags distributed in a larger area than the coverage of a tag reader. In order to achieve this object, the present invention's parameter adjusting means performs a different process (i) when ID information is first detected simultaneously, as compared to (ii) when ID information is subsequently detected simultaneously (*i.e.*, at second and subsequent detections).

When ID information is first detected simultaneously in a pair of ID tags, the parameter adjusting means newly sets the parameter for the pair of ID tags to indicate the measure of the strength of relationship between the pair of ID tags. Then, when ID information is subsequently detected simultaneously in a pair of ID tags, the parameter adjusting means increases the value of the parameter stored in the parameter storage means.

The Holwitz Reference: In contrast, in Holwitz each item is grouped beforehand as a cluster, and if a predetermined number of RFID tags belonging to the same cluster pass through the interrogator gates, it is assumed that all of the tags of the cluster have passed through the interrogator gates. Moreover, Holwitz's data associated with a cluster's RFID tags is stored statically in database. Holwitz's cluster-centric approach therefore does not disclose or suggest the present invention's use of a parameter adjusting means which performs a *different* process (including altering of the values associated with the RFID tag pairs) when ID information previously first detected simultaneously is changed when the RFID tag pair is subsequently detected simultaneously.

Because Holwitz does not disclose or suggest all of the features of the present invention, including the feature of "when ID information is subsequently detected simultaneously in a pair of ID tags, the parameter adjusting means increases the value of the parameter stored in the parameter storage means" which would be recited in claims 1 and 7 upon entry of the requested amendments, claims 1 and 3-7 would be patentable over Holwitz under § 102(e).

### CONCLUSION

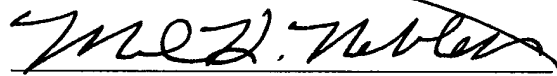
In view of the foregoing, the Applicants respectfully request entry of the requested amendments, and issuance of a Notice of Allowance for claims 1 and 3-7.

If there are any questions regarding this amendment or the application in general, a telephone call to the undersigned would be appreciated since this should expedite the prosecution of the application for all concerned.

If necessary to effect a timely response, this paper should be considered as a petition for an Extension of Time sufficient to effect a timely response, and please charge any deficiency in fees or credit any overpayments to Deposit Account No. 05-1323 (Docket #010755.53231US).

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Respectfully submitted,



Robert L. Grabarek, Jr.  
Registration No. 40,625  
Mark H. Neblett  
Registration No. 42,028

CROWELL & MORING LLP  
Intellectual Property Group  
P.O. Box 14300  
Washington, DC 20044-4300  
Telephone No.: (202) 624-2500  
Facsimile No.: (202) 628-8844  
*MHN:gtm (7510667)*